

VZCZCXRO1228
OO RUEHCHI RUEHCN RUEHDT RUEHHM
DE RUEHML #0093/01 0190546
ZNY CCCCC ZZH
O 190546Z JAN 10
FM AMEMBASSY MANILA
TO RUEHC/SECSTATE WASHDC IMMEDIATE 6284
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RHHMUNA/CDRUSPACOM HONOLULU HI IMMEDIATE
RUEAIIA/CIA WASHDC IMMEDIATE
RUEKDIA/DIA WASHDC IMMEDIATE
RHEHNSC/NSC WASHDC IMMEDIATE
RUEKJCS/SECDEF WASHDC IMMEDIATE

C O N F I D E N T I A L SECTION 01 OF 04 MANILA 000093

SIPDIS

E.O. 12958: DECL: 01/06/2020
TAGS: [PREL](#) [PGOV](#) [PARM](#) [PHUM](#) [PTER](#) [MOPS](#) [EAID](#) [ASEC](#) [KJUS](#)
KCRM, KDEM, KISL, KTIP, KNNP, RP
SUBJECT: PHILIPPINES 2009 POLITICAL WRAP-UP AND LOOK-AHEAD

Classified By: Ambassador Kristie A. Kenney, reason: 1.4 (b) and (d).

SUMMARY

1. (C) While several tumultuous events -- a political massacre in Mindanao, massive flooding in Luzon -- created an end-of-year sense of crisis in the Philippines, overall political and security stability improved perceptibly over the course of 2009. The year witnessed no significant military or political efforts to unseat the president, and insurgent Muslims in Mindanao returned to peace talks with the government. President Arroyo also moved forcefully when she imposed martial law for a brief period in areas of Maguindanao province to respond to the worst act of clan violence in recent years. Nonetheless, the Philippines faces numerous challenges in 2010 that could divert attention from issues of concern to the U.S., like counterterrorism and regional leadership on democratization and human rights. The country is intensely focused on May national elections, which have already been marked by violence and fears that new automated voting could lead to disarray. The elections could also distract the Armed Forces of the Philippines (AFP) from counterterrorism efforts in the South. While the government has made meaningful progress in talks with the Moro Islamic Liberation Front (MILF), the calendar may not permit this administration to conclude a comprehensive peace compact. U.S.-Philippine relations are likely to remain strong no matter who wins the presidential election. Although some Filipinos publicly criticized our Visiting Forces Agreement (VFA) in 2009, our troops here won widespread acclaim for the assistance they (and other USG agencies) provided in the aftermath of natural disasters. We also have provided the government recommendations for continued progress against trafficking in persons. End Summary.

DEMOCRACY

2. (C) The Philippines' election season is now in full swing. Although the authoritarian rule of Ferdinand Marcos ended in 1986, the Philippines has only had three presidential elections since then, all marred by irregularities and violence. The current election process has already been badly scarred by conflict. Filipinos were stunned by the heinous November 23 massacre of 57 unarmed people, many women and journalists, by members of the powerful Ampatuan clan in Maguindanao province. The Arroyo administration proved wrong the widespread suspicion that the Ampatuans -- political allies of the President -- would escape accountability for this crime. Despite intense criticism from democracy activists, the President imposed martial law in portions of Maguindanao for eight days, during which the authorities arrested leading clan members and disarmed the Ampatuans' private army. The Ampatuans' fate remains unclear; they are

widely presumed guilty, but the legal processes are only beginning. The audacity of the crime exposed a provincial political and justice system that was deeply dysfunctional and susceptible to political influence.

13. (C) Despite widespread concerns throughout 2009 that President Arroyo might seek to remain as chief executive beyond the time the constitution allowed, we believe she intends to step down as president in June when her term ends.

However, she has also taken the unprecedented step of registering to run for a congressional seat. Many political observers see this as continuation of Arroyo's effort to achieve a constitutional amendment to create a parliamentary system of government, and perhaps allow her to return to political preeminence in the near term. Some Filipinos are also anxious about the use of automated ballot tabulation in the May 2010 elections, fearing that computer systems will facilitate distortion of election results, or that equipment failures might render the entire election illegitimate and create a constitutional crisis. The Mission is taking a leading role with international and domestic NGOs and other Embassies to craft an election monitoring effort to help ensure a more fair and transparent voting process.

14. (C) Although it is too early to call the presidential race, recent polls have given Senator Benigno "Noynoy" Aquino III front-runner status, but we do not rule out Senator Manuel "Manny" Villar, a wealthy self-made businessman and more experienced politician. Aquino, Villar, and the other contenders are all well-disposed toward the United States, and we are confident we can work well with whoever wins the

MANILA 00000093 002 OF 004

presidential election. The greatest challenge for us is to avoid becoming entangled in partisan politics, as many Filipinos lack faith in U.S. neutrality.

ROBUST MILITARY TIES

15. (C) Military relations between the U.S and the Philippines are robust and vibrant. A Philippine court of appeal's spring 2009 ruling that overturned the conviction of Lance Corporal Daniel Smith, who spent years in detention on Embassy grounds, removed an extraordinarily serious irritant to military ties. Opponents of the close U.S.-Philippine military relationship continued to focus attention on our Visiting Forces Agreement (VFA), which became the subject of legislative hearings late in the year. Public attention has now shifted away from the VFA, but we remain watchful that politically motivated critics may again focus on the agreement, and we recognize it may become necessary for us to clarify with the GRP the modalities for the incarceration of certain persons covered by the VFA.

16. (C) The Philippines, named a Major Non-NATO Ally in 2003, remains a committed bilateral and regional partner in fighting terrorism. In 2009, the Armed Forces of the Philippines (AFP) conducted numerous successful raids against high-value targets associated with the Abu Sayyaf Group (ASG) and Jemaah Islamiyah (JI) terrorist organizations, as well as against the communist New People's Army (NPA -- also a terrorist organization) and rogue elements of the Moro Islamic Liberation Front (MILF). Incurring inevitable casualties, the AFP nevertheless continued to aggressively engage and pursue terrorist elements in Basilan and Jolo. Thanks to close cooperation with the Joint Special Operations Task Force - Philippines (JSOTF-P), which is working to enhance the AFP's capabilities to engage terrorists, the AFP recorded 10 ASG members it killed in 2009, leaving the ASG approximately 390 strong. (Separately, the police claimed it killed seven ASG members.) The AFP also claimed 165 NPA members killed in action during 2009, with the police adding 13 to that number.

DISASTER ASSISTANCE, CIVIL AFFAIRS

¶7. (C) While kinetic operations are essential to the Philippine military's strategy against terrorism, recent use of humanitarian assistance programs involving medical, dental, engineering, and veterinary clinics have done much to alleviate the local populace's unease toward the AFP and mitigate support given to terrorists in isolated areas. The AFP continued to emphasize the role of civil-military operations (CMOs), in part through the growing role of the National Development Support Command and establishment of a civil military operations school. Tragically, U.S. servicemen Sergeant First Class Christopher D. Shaw and Staff Sergeant Jack Mayfield Martin III -- and one AFP counterpart -- died on Jolo island on September 29, 2009, when their vehicle detonated an improvised explosive device. Shaw and Martin were engaged in a CMO that entailed construction of a school. The Embassy is working with Philippine authorities as they conduct a criminal investigation.

¶8. (C) The AFP may be increasingly distracted from its CT mission, however, as elections approach. Not only did the Department of National Defense undergo a leadership transition as Secretary Gilberto Teodoro resigned in order to begin his presidential campaign, but the AFP is also turning to focus on its traditional mission of providing a secure environment for elections. Teodoro's resignation may weaken support for the Philippine Defense Reform (PDR) program, intended to introduce comprehensive systemic reforms in the defense establishment. The PDR's initial phase is scheduled to conclude in 2010, as the program transitions from a focus on internal defense to territorial defense.

¶9. (U) The AFP in 2009 demonstrated its ability to respond to multiple natural disasters in a prompt and professional manner. Responding to the extensive damage from a devastating series of typhoons and floods, the Philippine military was instrumental in rescuing stranded civilians, providing medical services, and using their engineering assets to rebuild roads and homes destroyed by these natural disasters. U.S. forces worked closely with the AFP and civilian authorities in these efforts, receiving substantial positive publicity, and the superb coordination between U.S.

MANILA 00000093 003 OF 004

and Philippine forces demonstrated the growing interoperability of our two militaries, due in large measure to intensive bilateral training efforts. The Philippines also established itself as a regional leader in disaster response by hosting the first ASEAN Regional Forum disaster relief exercise -- the Voluntary Demonstration of Response (VDR) -- in May 2009.

¶10. (U) Coupled with its recent success at home, overseas the Philippine military continues to excel as a much sought after partner in United Nations Peacekeeping Missions (UNPK). The late-2009 dispatch of an AFP battalion to replace a Polish unit in the Golan Heights boosted the total Philippine deployment in peacekeeping operations to approximately 1,000 Philippine soldiers, police officers or other experts in nine UNPK missions worldwide.

¶11. (C) The AFP, due in no small part to numerous regular bilateral training exercises with the U.S. military, continues to improve slowly, but challenges remain. While the Philippine military's senior promotions have become less politicized, chronic budgetary shortfalls have left the AFP woefully under-equipped and understaffed. Severe budgetary constraints have made it difficult for the AFP to purchase badly needed equipment ranging from aircraft to ammunition. Budget constraints also reduce reliable maintenance for the Philippines' rapidly aging C-130s and Huey helicopters.

PEACE PROCESS

¶12. (C) It seemed like a distant hope in early 2009 that the government could revive peace talks between the government and the Moro Islamic Liberation Front (MILF). The two parties reached a ceasefire agreement just days before President Arroyo's July visit to Washington, however, ending a year of intense fighting in central Mindanao, and laying the groundwork for a full resuscitation of peace talks. Still intact, the ceasefire has enabled thousands of internally displaced persons (IDPs) to return to their homes. We continue to provide emergency assistance to IDPs across central Mindanao, including food aid, shelter, and health and sanitation services.

¶13. (C) Arroyo has made additional meaningful progress toward a peace settlement with the MILF in the second half of the year. The government and MILF concluded a September agreement creating an international contact group to support the peace process, and then agreed in October to form a civilian protection component within the International Monitoring Team. Formal peace talks resumed December 8 in Kuala Lumpur. Both sides continue to work toward a comprehensive compact, although a Philippine government official recently acknowledged privately to us that there is insufficient time before the elections to sign one. Arroyo ultimately seeks to secure the legacy of having moved the Philippines closer to ending one of its most intractable conflicts, while the MILF leadership hopes to reduce the uncertainties associated with the upcoming change of administrations.

¶14. (C) Throughout 2009, we used our extensive development assistance and consistent high-level engagement to encourage the parties to advance the peace process. USAID development assistance supports education, health, economic growth, and governance programs across Mindanao, while Joint Special Operations Task Force - Philippines (JSOTF-P) humanitarian projects, executed jointly with the Philippine military, assisted communities susceptible to violence and terrorist influence. The USG programs not only tangibly improved the lives of Mindanao's people, but they also helped focus the Philippine government on the needs of its people. These initiatives are bolstered by regular high-level engagement between senior Mission officials and Philippine government cabinet members, in addition to our contact with the MILF. The Charge d'Affaires met on October 16 with the MILF's top leadership at MILF headquarters to affirm our support for the peace process, and visiting DAS Marciel on November 6 delivered a letter from EAP A/S Campbell to MILF Chairman Murad Ebrahim, reiterating our unchanged policy of support for peaceful solution to the longstanding conflict.

FOREIGN POLICY

¶15. (C) A member of the Non-Aligned Movement, the Philippines

MANILA 00000093 004 OF 004

does not always agree with us in foreign affairs and frequently does not vote the same way that we do in international fora. The Philippines in 2009 continued to pursue observer status with the Organization of the Islamic Conference, hopeful that this would facilitate its peace process with the MILF and provide the government more influence for the protection of the millions of overseas Filipino workers in OIC countries. Nevertheless, the Philippines has been a valuable partner on high-priority regional issues. The Philippines remained a vocal supporter of Aung San Suu Kyi and others working for democracy and human rights in Burma. The Philippines also has been a strong ally in condemning provocative and destabilizing acts by North Korea. (Usefully, the Philippines has pressed ASEAN to take a stronger line on both Burma and North Korea.)

¶16. (C) The Philippines has also welcomed close coordination with us in advance of its May 2010 chairing of the Nonproliferation Treaty Review Conference (Revcon). While

the Revcon's coinciding with national elections implies that it will be difficult for policymakers to remain focused on nonproliferation, we believe we can use our engagement with the Philippines in the coming months to lay the foundation for a productive event.

TIP AND THE JUSTICE SYSTEM

¶17. (C) Following the Philippines Tier Two Watch List placement in the 2009 Trafficking in Persons (TIP) report, the Philippine government inventoried cases and pressed judges for decisions on cases that could be solved quickly. Progress is slow, but there have been clear, noticeable improvements. The Philippines has engaged more closely with Singapore and Malaysia on transnational TIP cases that could help Philippine law enforcement crack down on powerful trafficking rings. The government obtained four convictions in the current TIP report cycle, including the conviction of a police officer -- the first conviction ever of a public official for human trafficking. Although resource shortages continue to hamper government training efforts, some law enforcement agencies are becoming more aggressive in preventing and investigating human trafficking. We have urged the government at senior levels to do more against trafficking and have approached officials at the working level with both the G/TIP Action Plan and Post's own specific recommendations.

¶18. (C) More generally, judicial reform programs are helping Philippine prosecutor and courts become more effective partners of law enforcement and more responsive to citizens' needs. The introduction of small claims courts and our ongoing support for improved case and courtroom management training, judicial investigations, and broadening citizens' access to justice are strengthening the judicial system. Small claims courts, to be rolled out nationwide in 2010, have the potential over time to unburden the judicial system of its sizable case backlog.

¶19. (C) Post began preparations to invite two federal prosecutors through the U.S. Department of Justice Office of Prosecutorial Development Assistance and Training (OPDAT) to train Philippine prosecutors and law enforcement personnel on professional best practices and police-prosecutor cooperation, among other areas. One of the prosecutors will focus exclusively on human trafficking prosecutions and be augmented by a victim witness coordinator. Our hope is to help prosecutors, judges, and law enforcement personnel improve cooperation and break through inefficiencies that stymie success in criminal trials.

KENNEY